



## **POSTAL SERVICE**

### **39 CFR Part 111**

#### **Domestic Competitive Products Pricing and Mailing Standards Changes**

**AGENCY:** Postal Service™.

**ACTION:** Final rule.

**SUMMARY:** The Postal Service will revise *Mailing Standards of the United States Postal Service*, Domestic Mail Manual (DMM®), to reflect changes to some of the prices for Priority Mail® and the mailing standards for Premium Forwarding Service Commercial™ competitive products.

**DATES:** *Effective Date:* September 7, 2014.

**FOR FURTHER INFORMATION CONTACT:** Margaret Choiniere (202) 268-7231 or Garry Rodriguez (202) 268-7281.

**SUPPLEMENTARY INFORMATION:** This final rule describes the new prices for Priority Mail established by the Governors of the United States Postal Service® and the enhancement to Premium Forwarding Service Commercial enrollment. New prices are available under Docket Number CP2014-55 on the website of the Postal Regulatory Commission (PRC) at <http://www.prc.gov>, and also on the Postal Explorer® website at <http://pe.usps.com>.

#### **Priority Mail**

Overall, Priority Mail prices will average a zero percent price increase. The price increase varies by price cell and price tier.

Retail prices will average a 1.7 percent price increase. The Flat Rate Envelope will be priced at \$5.75, the Legal Flat Rate Envelope will be priced at

\$5.90 and the Padded Flat Rate Envelope will be priced at \$6.10. The Flat Rate Box prices will be: Small, \$5.95, and Medium boxes, \$12.65. The Large Flat Rate Box will be priced at \$17.90 and Large APO/FPO/DPO Box will be priced at \$15.90.

Commercial Base prices offer lower prices to customers who use online and other authorized postage payment methods. Commercial Base prices will average a 0.9 percent price decrease. Commercial Base pricing offers an average 13.8 percent discount off retail prices.

Commercial Plus prices offer attractive price incentives to large volume customers. Commercial Plus prices will average a 2.3 percent price decrease. Commercial Plus pricing offers an average 15.7 percent discount off retail prices.

## **Mailer Services**

### *Premium Forwarding Service*

#### *Premium Forwarding Service Commercial*

The Postal Service provided advance notice of the redesign of commercial reshipment services and an introduction to Premium Forwarding Service Commercial (PFS Commercial™) in *Federal Register* Docket No: 2013-27728 (available at [www.gpo.gov](http://www.gpo.gov)). The Postal Service anticipated a systems implementation date of July 2014; however, many of the new features of PFS Commercial could be made available sooner. Therefore, the Postal Service began revising the DMM standards using a phased-in approach. The first phase of PFS Commercial features was implemented January 23, 2014, as announced in *Postal Bulletin* issue 22381.

Effective September 7, 2014, a subsequent phase of system implementation activates the enrollment and postage and fee payments for PFS Commercial (for customers desiring shipments sent by Priority Mail Express<sup>™</sup>) through the Business Customer Gateway at: <https://gateway.usps.com/bcg/login.htm>. At this time, no changes are being made to enrollment for PFS Commercial customers desiring shipments be sent by Priority Mail.

## Resources

The Postal Service provides additional resources to assist customers with this price change for competitive products. These tools include price lists, downloadable price files, and *Federal Register* Notices, which may be found on the Postal Explorer<sup>®</sup> website at [pe.usps.com](http://pe.usps.com).

## List of Subjects in 39 CFR Part 111

Administrative practice and procedure, Postal Service.

The Postal Service adopts the following changes to *Mailing Standards of the United States Postal Service*, Domestic Mail Manual (DMM), incorporated by reference in the *Code of Federal Regulations*. See 39 CFR 111.1.

Accordingly, 39 CFR part 111 is amended as follows:

### **PART 111 – [AMENDED]**

1. The authority citation for 39 CFR part 111 continues to read as follows:

**Authority:** 5 U.S.C. 552(a); 13 U.S.C. 301-307; 18 U.S.C. 1692-1737; 39 U.S.C. 101, 401, 403, 404, 414, 416, 3001-3011, 3201-3219, 3403-3406, 3621, 3622, 3626, 3632, 3633, and 5001.

2. Revise the following sections of *Mailing Standards of the United States*

*Postal Service*, Domestic Mail Manual (DMM) as follows:

\* \* \* \* \*

***Mailing Standards of the United States Postal Service, Domestic Mail Manual (DMM)***

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**500 Additional Mailing Services**

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**507 Mailer Services**

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**3.0 Premium Forwarding Services**

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**3.3 Premium Forwarding Service Commercial**

\* \* \* \* \*

**3.3.1 Description**

*[Revise 3.3.1 as follows:]*

Premium Forwarding Service Commercial (PFS Commercial) provides business commercial customers the option to have USPS gather their mail addressed to PO Boxes (including Caller Service) or business street addresses within the same servicing postal facility, and dispatch the mail as Priority Mail Express or Priority Mail shipments to a new address. Customers must establish a service agreement with the USPS, pay an annual enrollment fee and the applicable

postage for the class of mail desired for the shipments. See Notice 123—Price List.

### **3.3.2 Authorization**

*[Revise 3.3.2 as follows:]*

Commercial customers may establish PFS Commercial service by making a request in writing to the origin Post Office if shipments sent by Priority Mail are desired, or through the Business Customer Gateway at <https://gateway.usps.com/bcg/login.htm> if shipments by Priority Mail Express are desired. Requests must specify the business street delivery or PO Boxes (or Caller Service) addresses, destination address, frequency (Monday through Saturday) and the postage payment method (see 3.3.3b). Service is activated upon written approval by the Postmaster for the origin office.

### **3.3.3 Additional Conditions**

Only the authorized recipient (or legal agent) of the business's (or organization's) mail may activate the request for PFS Commercial service. PFS Commercial service agreements are subject to these additional standards:

*[Revise items 3.3.3a and 3.3.3b as follows:]*

- a. Customers must pay an annual enrollment fee to establish service, regardless of the number of individual PO Boxes, Caller Service numbers, or street delivery addresses included for each servicing post office. The enrollment fee is refundable only if the request is denied.
- b. For requests made in writing to the origin Post Office, the annual enrollment fee may be paid at a retail Post Office location, station or

branch; the applicable Priority Mail postage for each shipment container is paid using the customer's *PostalOne!* permit account. For requests made through the Business Customer Gateway, the annual enrollment fee and applicable Priority Mail Express postage for each shipment container is paid using a USPS Corporate Account including CAPS, for customers choosing Priority Mail Express service.

\* \* \* \* \*

*[Revise item 3.3.3g as follows:]*

- g. Priority Mail Express, or mailpieces with USPS Tracking, Certified Mail, COD, Insured Mail, Signature Confirmation, or Adult Signature are shipped to the destination delivery office Postmaster separately, for proper handling. Registered Mail is not eligible for PFS Commercial service.

\* \* \* \* \*

*[Revise item 3.3.3i as follows:]*

- i. Business customers may terminate their PFS Commercial service agreement, effective 24 hours after the USPS receives customer's written notice of termination at the serving Post Office or through the Business Customer Gateway. The customer must pay all postage and fees as applicable for any shipments already scheduled before termination of service is made effective.

\* \* \* \* \*

We will publish an appropriate amendment to 39 CFR part 111 to reflect these changes.

**Stanley F. Mires,**

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